

EXHIBIT A

Project Transform – Sources and Uses

December 2018

Disclaimer

This presentation has been prepared by ESL Investments (“ESL”) based on confidential information provided by the Company and publicly available information. ESL and its representatives have not assumed any responsibility for independently verifying the information herein, ESL and its representatives make no representation or warranty as to the accuracy, completeness or reasonableness of the information herein and ESL and its representatives disclaim any liability with respect to the information herein. This presentation may include projections, forecasts or other forward-looking statements with respect to the Company and there can be no assurance as to ESL’s or the Company’s future performance. This presentation speaks only as of its date, and ESL and its representatives assume no obligation to update it or to advise any person that any of its conclusions has changed.

The assessments of Sears situation and the proposal described in this document are solely an expression of ESL's views. Sears has not approved or endorsed this document. Any action or response of Sears in connection with the items discussed in this presentation will require prior review and approval by Sears' Board, the Restructuring Sub-Committee, the Special Committee and/or the Related Party Committee. There can be no assurance that any action will be taken in response to ESL's proposals contained herein, and any action plan that is adopted could vary materially from the proposals described in this document.

This presentation is solely for informational purposes. This presentation is not intended to provide the basis for any decision on any transaction. The recipient should make its own independent business and legal decisions based on all other information, advice and the recipient’s own judgment. **This presentation is not an offer to sell or a solicitation of an indication of interest to purchase any security, option, commodity, future, loan or currency. It is not a commitment to underwrite any security, to loan any funds or to make any investment.**

Sources & Uses¹

(\$ in millions)

| Sources | | |
|--|----------------|-------------|
| Sources | \$ | % |
| Credit Bid - Dove | \$436 | 9% |
| Dove - Cash to Buyout of Tranche A Holder | 108 | 2% |
| Cash to Purchase Sparrow Equity | 0.005 | 0% |
| Assumption of Sparrow Debt | 602 | 13% |
| Citi L/C Facility - Cash to Buyout Other Holders | 164 | 4% |
| Citi L/C Facility | 107 | 2% |
| New ABL Facility and Term Loan ⁵ | 900 | 19% |
| Credit Bid of FILO - Inventory & Receivables ⁴ | 90 | 2% |
| FILO - Cash to Sears from Non-Credit Bid Part of FILO (Great American) | 35 | 1% |
| 2L Credit Bid ESL - Inventory & Receivables ^{2,3} | 316 | 7% |
| 2L Credit Bid Third Party - Inventory & Receivables ^{2,3} | 74 | 2% |
| Credit Bid - IP/GL | 152 | 3% |
| IP/GL - Cash to Buyout 3rd party holder(s) | 79 | 2% |
| New Real Estate Debt | 275 | 6% |
| Home Services PA Liability | 1,009 | 22% |
| NewCo Equity/Cash/2L Waiver - SHS & Other | 190 | 4% |
| 2018 Gift Card Vintage | 13 | 0% |
| SYW Point Liability | 68 | 1% |
| Total Sources | \$4,620 | 100% |
| Total Cash Potentially Needed to Buyout 3rd Party Debtholders | | |
| | \$386 | |
| Total Credit Bid⁹ | | |
| | \$1,291 | |
| 2L Deficiency Claim¹⁰ | | |
| | \$680 | |
| Dove Deficiency Claim | | |
| | \$254 | |

| Uses | | |
|---|----------------|-------------|
| Uses | \$ | % |
| Purchase of Dove Real Estate | \$544 | 12% |
| Cash to Purchase Sparrow Equity | 0.005 | 0% |
| Assumption of Sparrow Debt | 602 | 13% |
| New Citi LC Facility | 271 | 6% |
| Purchase of Inventory ^{6,7} | 1,277 | 28% |
| Purchase of Credit Card / Pharmacy Receivables ^{6,8} | 88 | 2% |
| Cash to Paydown Revolver | 275 | 6% |
| Transaction Fees | 50 | 1% |
| Home Services PA Liability | 1,009 | 22% |
| Purchase of IP/GL Collateral | 231 | 5% |
| Purchase of SHS & Other ¹¹ | 190 | 4% |
| 2018 Gift Card Vintage | 13 | 0% |
| SYW Point Liability | 68 | 1% |
| Total Uses | \$4,620 | 100% |
| Purchase of IP/GL Collateral | 231 | |
| SHS and Other ¹¹ | 190 | |
| Total | \$421 | |
| Sears Home Services | 175 | |
| Other ¹¹ | 246 | |
| Total | \$421 | |

Revised S&U as of 12/19/18 reflects a 425 store footprint (down from 505 on 12/05/18 and the sale of SHIP). The values herein reflect the interdependencies across these assets and are contingent on acquiring the enumerated assets collectively.

- Sources & Uses excludes the impact associated with the purchase of Kenmore & Diehard
- Assumes ability to drag along third party 2L holders; assumes \$89mm of subordinated 2L debt is not part of credit bid
- Total 2L debt of \$1,160mm comprised of \$847mm of ESL owned debt, \$293mm of 3rd party debt and \$20mm owned by Tommy Tisch. Assumes \$89mm of 3rd party debt is not part of credit bid and remaining \$1,071mm of 2L debt is pro-rata shared between ESL/Tommy Tisch (81% or \$316mm) and 3rd Party (19% or 74mm)
- Assumes Tommy Tisch credit bids along with ESL
- Used to pay down \$850mm of 1L debt and \$50mm transaction fees
- Assumes pro rata ownership of inventory, accounts receivables and scripts in NewCo for 2L component of the credit bid
- Assumes purchase of \$1,503mm projected book value of inventory on 2/1/2019 at 85 cents
- Assumes purchase of \$104mm projected book value of credit card and pharmacy receivables on 2/1/2019 at 85 cents
- Total credit bid amount includes cash used to buyout 3rd party debtholders
- Assumes shared deficiency claim amongst 2L credit-bidders
- Other includes Unencumbered RE, Innovel, SYW, Monark, SAC and Designation Rights